

IN THE CHANCERY COURT FOR KNOX COUNTY, TENNESSEE  
SIXTH JUDICIAL DISTRICT AT KNOXVILLE

STATE OF TENNESSEE,

Plaintiff,

v.

PAYTON ABERNATHY, individually  
and d/b/a PEYTON ENTERPRISES, d/b/a  
www. MAKE MONEY STUFFING.COM,  
d/b/a GLOBAL MAIL MARKETING,  
d/b/a AMERICAN MAIL MARKETING  
d/b/a PC ENTERPRISES, d/b/a  
FREEDOM MARKETING, and d/b/a  
www.mailingprogram.com, and KEVIN  
SPARKS, individually and in a  
representative capacity of all other  
Defendants,

Defendants.

No. 169384-3

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**STATE OF TENNESSEE'S COMPLAINT**

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This civil law enforcement action is brought in the name of the State of Tennessee, by and through Robert E. Cooper, Jr., Attorney General & Reporter ("Attorney General"), pursuant to Tenn. Code Ann. §§ 47-18-108 (a)(1) and 47-18-114, at the request of Mary Clement, Director of Division of Consumer Affairs of the Tennessee Department of Commerce and Insurance (the "Division"), having reason to believe that the Defendants named herein have violated and are continuing to violate the Tennessee Consumer Protection Act of 1977, Tenn. Code Ann. §§ 47-18-101 *et seq.* and related statutes. Furthermore, the Attorney General brings this action within his common law authority and in the public interest.

This law enforcement action arises from the unfair and deceptive promotions and chain referral marketing plan of Defendants in their “make thousands of dollars working at home” envelope stuffing scheme. Defendants “guarantee” that consumers can earn thousands of dollars per week stuffing envelopes, when this is not the case. Defendants’ unfair and deceptive acts have caused and continue to cause ascertainable losses to consumers.

## **I. JURISDICTION AND VENUE**

1. This Court exercises jurisdiction pursuant to Tenn. Code Ann. § 47-18-108 and Tenn. Code Ann. § 47-18-114. Venue is proper in Knox County, pursuant to the provisions of Tenn. Code Ann. § 47-18-108(a)(3), because it is a county in which Defendants have conducted and are transacting business. Further, the Division has determined in writing that the purposes of this part will be substantially impaired by delay in instituting legal proceedings. (See Affidavit of Mary Clement, Exhibit 1).

## **II. PARTIES**

2. Plaintiff, State of Tennessee, *ex rel.* Robert E. Cooper, Attorney General & Reporter is charged with enforcing the Tennessee Consumer Protection Act of 1977,<sup>1</sup> which prohibits unfair or deceptive acts or practices affecting the conduct of any trade or commerce. The Attorney General may initiate civil law enforcement proceedings in the name of the State to enjoin violations of the Tennessee Consumer Protection Act and to secure such equitable and other relief as may be appropriate in each case under broad grants of statutory and common law authority.<sup>2</sup>

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<sup>1</sup> Tenn. Code Ann. § 47-18-101, *et seq.*

<sup>2</sup> Tenn. Code Ann. § 8-6-109 and § 47-18-108(a)(1).

3. Defendant Payton Abernathy, is sued individually and in a representative capacity. Mr. Abernathy resides presently at 855 Paxton Avenue, Knoxville, Tennessee. Payton Abernathy can be served at that address.

4. Mr. Payton Abernathy personally directs, supervises and controls the work-at-home envelope stuffing schemes, doing business under at least seven different names: Peyton Enterprises, Global Mail Marketing, Make Money Stuffing, PC Enterprises, American Mail Marketing, Freedom Marketing, and [www.mailingprogram.com](http://www.mailingprogram.com).

5. Payton Abernathy places false, deceptive and misleading advertisements on Internet web sites, and in classified sections of magazines offering consumers a work-at-home business opportunity to make thousands of dollars stuffing envelopes - "Guaranteed!" But, in reality, the advertised envelope stuffing business constitutes an unlawful chain referral scheme, not a legitimate business, in any respect, as detailed below, and not a way to make thousands weekly.

6. Defendant Freedom Marketing is Defendant Abernathy's only envelope stuffing operation licensed to do business. Freedom Marketing's business license expires June 30, 2007. (Exhibit 10, Affidavit of Suzanne Linden). Freedom Marketing's business address, shown on its Knox County business license, is the current residential address of Defendant Abernathy - 855 Paxton Drive, Knoxville, TN 37918. All named Defendant businesses can be served at 855 Paxton Drive, Knoxville, TN 37918.

7. Defendants' envelope stuffing businesses, all personally controlled, supervised and directed by Payton Abernathy, include, but may not be limited to, the following: Peyton

Enterprises, Global Mail Marketing, Make Money Stuffing, American Mail Marketing, PC Enterprises, Freedom Marketing, and [www.mailingprogram.com](http://www.mailingprogram.com).

8. In addition to promoting his unlawful scheme in various names and media (classified ads and web sites), Defendant Abernathy has used and continues to use various mail box addresses where his consumer victims are instructed to send cash, checks or money orders to buy the necessary “business package” or Plan before they can make thousands of dollars stuffing envelopes. See summary chart of Payton Abernathy’s multiple names and mail box addresses. (Exhibit 2). These mail drop boxes were where Defendants instructed consumers to send money or to further inquire.

9. The envelope stuffing schemes Payton Abernathy promotes are virtually identical - just not in name. In spite of the number of business names and addresses Defendant Abernathy has used, perhaps to avoid authorities and injured consumers, one telephone number tied all of his envelope stuffing schemes together - Mr. Abernathy’s own personal Sprint cell phone number, (865)-300-4317, a Knoxville-based telephone number. Mr. Abernathy sometimes offered this number to consumers if they had questions, however, this number was rarely answered by a live person. Consumer emails, letters and faxes went unanswered. (See Affidavits of Denise Deal and Alise Obosu, Collective Exhibit 3 to Motion).

10. In 2004, Mr. Abernathy’s Sprint cell phone number was disabled. (See Affidavit of Ms. Heather Ramos, custodian of records for Sprint Nextel, Exhibit 3).

11. Defendant Kevin Sparks sued individually and in a representative capacity for all Defendants, resides at 9816 Colby Station Lane, Knoxville, TN 37922-4249. Kevin Sparks can be served at that address or anywhere he may be found. Kevin Sparks is an officer, employee

and/or agent of Payton Abernathy and the defendant businesses; he is or was authorized to receive mail at least at one of Mr. Abernathy's home mail processing business drop off addresses, 2911 Tazewell Pike PMB 243, Knoxville, Tennessee. The mail received at that box and the other box addresses used by Mr. Abernathy, his officers, agents, and employees, if any, includes money orders or checks to the defendant companies from consumers following Defendants' instructions to send money for a "business package" in order to make the "guaranteed" thousands of dollars working at home stuffing envelopes. The mail received at each mail drop box listed in Exhibit 2 includes money orders or checks from consumers following Defendants' deceptive instructions and misleading ads that consumers can earn thousands stuffing envelopes.

12. During the 2002-03 time frame, Joyce Hughey, an employee of Plaintiff, State of Tennessee, at the Division of Consumer Affairs, sent correspondence and complaints, by certified mail, to Peyton Enterprises seeking resolution (refunds) for consumers. At least one of the Division of Consumer Affairs' certified mailings to Peyton Enterprises' PMB 243, was signed by Kevin Sparks on March 6, 2003 (copy attached as Exhibit 4).

13. All Defendants named in paragraphs 1 -13 personally participated, directly or indirectly, in the unfair and deceptive practices set forth in this Complaint. Payton Abernathy and Kevin Sparks, their officers, agents or employees, if any, had knowledge of or should have had knowledge of the practices, and had the authority to control or stop the unfair and deceptive acts and practices, including but not limited to, their false, misleading promotions and unlawful chain marketing scheme.

### III. STATEMENT OF FACTS

As evidenced by the supporting affidavits and exhibits to the Complaint and Motion, the State alleges, upon information and belief, as follows:

14. As of the date of filing this Complaint, Payton Abernathy has promoted his unlawful “make money stuffing envelopes” scheme, using as many as seven different company names and at least eight different mailing addresses - mail drop boxes - in Tennessee (five in Knoxville, one in Heiskell, Tennessee, one in Powell, Tennessee) and one in Chicago, Illinois. (Exhibit 2); (Affidavit of Suzanne Linden attached as Exhibit 8 to Motion for Temporary Injunction).

15. Mr. Abernathy has taken his unlawful work-at-home envelope stuffing scheme (“make thousands of dollars stuffing envelopes at home”) to the Internet, at [www.makemoneystuffing.com](http://www.makemoneystuffing.com) (web site created 2002), [www.stuffing-envelopes-at-home.com](http://www.stuffing-envelopes-at-home.com) (web site created 2003) and [www.mailingprogram.com](http://www.mailingprogram.com), (web site created in 2004).

16. The organization name and Administrator name for the domain of his web site, [www.stuffing-envelopes-at-home](http://www.stuffing-envelopes-at-home) is listed as “Payton Abernathy.”

17. The site was created on January 25, 2003 and listed to expire on January 25, 2006.

18. The site of Freedom Marketing ([www.mailingprogram.com](http://www.mailingprogram.com)) is still active and taking consumers’ money. (Exhibit 10, Suzanne Linden).

18. Both American Mail Marketing and PC Enterprises used that web site address while the domain was registered to Payton Abernathy. The address listed for Payton Abernathy on [www.betterwhois.com](http://www.betterwhois.com) is 2911 Tazewell Pike PMB243, Knoxville, TN 37918; the phone number listed is (865)-300-4317, Payton Abernathy’s former personal Sprint cell phone number.

No physical address is ever provided by the Defendants. (See Exhibit 8 to the Motion for Temporary Injunction, Affidavit of Suzanne Linden.)

19. Initially, Payton Abernathy responded to letters from the Tennessee Division of Consumer Affairs regarding consumer complaints about Peyton Enterprises and made partial refunds to a few complainants. But Defendant Abernathy stopped signing correspondence, then stopped making any refunds, then stopped responding at all. Correspondence from the State Consumer Affairs Division was returned, undelivered. (See Affidavit of Joyce Hughey, of the Division of Consumer Affairs, Exhibit 11 to Motion for Temporary Injunction).

20. The Knoxville BBB's efforts to contact Defendants were futile. (Affidavit of Jeannie Haskins, Director of the BBB, Exhibit 2 to the Motion for Temporary Injunction.) Payton Abernathy seemed to disappear.

21. Mr. Abernathy began changing the names and addresses of his unlawful envelope stuffing scheme operation. But no matter what "company" name or address Defendant Abernathy used to solicit consumers' inquiries and money, if a consumer paid for the "business package," the consumers' credit card statements listed PC Enterprises in Powell, Tennessee or Knoxville, Tennessee as the merchant.

22. If a debit card was used, the consumer's bank account showed the name of the merchant to be PC Enterprises, in Powell or Knoxville, Tennessee.

23. If a money order was used, it was cashed at Knoxville area banks, by PC Enterprises. Further, consumer credit card statements, show Defendant Abernathy's Sprint cell telephone number, until the time it was "disabled." (Exhibit B to Affidavit of Shirla Ghadaki, Collective Exhibit 3 to the Motion for Temporary Injunction).

24. Canceled checks of consumers responding to Mr. Abernathy's latest web site "Freedom Marketing" evidence that the consumer victim's money was actually deposited by PC Enterprises into an account at Home Federal Bank of Tennessee. (See Exhibit B to Affidavit of Shirla Ghadaki, Collective Exhibit 3 to the Motion for Temporary Injunction).

25. For Defendants' latest web site, Freedom Marketing, Defendants use a Chicago, Illinois mail box drop. The application for that mail drop bears the signature of Payton Abernathy. Yet, Freedom Marketing is licensed to do business in Knox County, Tennessee, out of Payton Abernathy's home. (See Payton Abernathy's signed application for a mail box drop in Chicago attached, and Freedom Marketing's certified license to do business in Knox County, attached hereto as Collective Exhibit 5).

26. Mr. Abernathy personally directs, supervises and controls the unfair and deceptive work-at-home envelope stuffing scheme known by the numerous names listed above. Mr. Abernathy's web sites, although known by different names, make the same active misrepresentations, targeting people who really need income.

27. Notably, the testimonials on all three of Defendants' web sites are identical, as are the names of the people purportedly providing the testimonials.

28. Payton Abernathy's third web site, Freedom Marketing, can be found presently at [www.mailingprogram.com](http://www.mailingprogram.com). Copies of all three web sites are attached as Collective Exhibit 6.

#### **DECEPTIVE PRACTICES/REPRESENTATIONS BY DEFENDANTS AT WEB SITES**

29. Mr. Abernathy's "Make Money Stuffing" web site at [www.makemoney-stuffing.com](http://www.makemoney-stuffing.com) illustrates the unfair and deceptive advertising pitch common to all Defendants'



web sites and circulars sent to inquiring consumers who respond to Defendants' ads in the classifieds, to wit:

- (a) that the consumer can join a leading team of mail processors, by stuffing envelopes for \$1,000's weekly, by being paid \$5.00 for each envelope, when such is not the case;
- (b) that the consumer serves a company and gets paid a good commission for mailing the company's brochures, when such is not the case;
- (c) that payment to the consumer for stuffed envelopes is **guaranteed**, when such is not the case;
- (d) that payments for all stuffed envelopes are sent to the consumer before the consumer is required to mail them, when such is not the case;
- (e) that Defendants **guarantee** that they will refund the consumer's registration fee after the consumers stuff a certain number of envelopes, when in fact, consumers do not receive that guaranteed refund;
- (f) if the consumer registers within a limited time frame, a bonus will be added to the registration refund after the consumer stuffs a certain number of envelopes;
- (g) that Defendants instruct the consumers to send the one time charge to the company (known by various names) at one of the addresses shown in Exhibit 2; and
- (h) that if the consumers send Defendants extra money, they can have a RUSH delivery of Defendants' "business package." The add-ons are optional.

30. The Make Money Stuffing web site and all of the other web sites represent to consumers that the required registration fee is for the "Complete Home Mailer's Program," which, in most cases, never arrives. The Make Money Stuffing web site directs consumers to

send registration fees, by check or money order to Peyton Enterprises, 2911 Tazewell Pike PMB 243, Knoxville, TN 37918-1874.

31. To the extent any differences exist between Defendants' web site ads or other ads, variations in the ads and circulars are characterized by increases in the amount that consumers can earn stuffing envelopes and increases in the bonus that consumers can earn if they sign up within a "limited time."

32. For example, at his web site in 2007, Freedom Marketing, which is currently operating and continuing to victimize consumers, Mr. Abernathy increases the amount of money allegedly to be earned per envelope stuffed by consumers to \$12.00; no refund of the registration fee is to be made until the consumer has stuffed 100 envelopes. Freedom Marketing (Mr. Abernathy) offers a \$50.00 bonus, to be added to the registration fee refund "for a limited time." The latest and highest registration fee, as of 2/22/07 was \$37.00. (See Freedom Marketing Order Confirmation, attached to Suzanne Linden's Affidavit, Exhibit 10). Just about one year earlier, on 3/3/06, a registration fee of \$19.95 was charged, for each envelope stuffed, the consumer was to earn \$10.00, and because that was "the busiest season," any consumer who registered within that month would receive a \$250.00 bonus added to the refund of the registration fee. (See Freedom Marketing web site dated 3/3/06, Collective Exhibit 6).

### **DEFENDANTS' DECEPTION IN CLASSIFIED ADS**

33. Defendants place ads in classified sections of magazines, advertising that the reader can make thousands stuffing envelopes - "guaranteed!" and instruct the interested consumers to send an S.A.S.E. (self addressed stamped envelope) to one of Defendants' business mail drops for more information. The consumers then receive a "Help! Home Mail Processors

Needed” circular which presents the same unfair and deceptive pitch found at the Defendants’ web sites. The circular advertises that a consumer can make “Thousands Guaranteed!” The information Defendants supply to the public remains false but enticing. (See copy of a Freedom Marketing’s classified ad attached as Exhibit A to Affidavit of Shirla Ghadaki, Collective Exhibit 3 to the Motion for Temporary Injunction).

34. The circular received, if any is received, by consumers who respond to the classified ads is virtually identical to the deceptive advertisement on the “Make Money Stuffing” web site. A copy of that circular is attached as Exhibit 7 to the Motion for Temporary Injunction; *see also* Collective Exhibit 6 attached hereto, “Money Stuffing” web site.

35. The Defendants’ “business package” hardly ever arrives after the consumer’s check is cashed, the consumer’s money order cashed or credit card debited. No matter what name or what address Mr. Abernathy, his officers, agents, employees, use, the unfair and deceptive scheme is the same - “make thousands stuffing envelopes at home”- in violation of Tennessee’s Consumer Protection Act and other applicable laws.

36. Payton Abernathy personally directs, controls and participates in the unlawful operations, known by different names, different addresses (mail drops) - but all in and from Tennessee.

#### **THE ACTUAL OPERATION OF DEFENDANTS’ UNLAWFUL PLAN**

37. Consumers usually receive nothing for their money paid to Defendants to “make thousands;” at most, the consumers receive an invitation to join an unlawful chain referral plan.

38. In the unlikely event that consumers receive anything at all for the required “registration fee,” the consumers might receive the “Complete Home-Mailer’s Program,” called

“The Plan.” (Exhibit 4 to Motion Temporary Injunction). The Defendants’ “Complete Home-Mailers Program” is not the at-home work “guaranteed to earn thousands of dollars” represented in Defendants’ advertisements.

39. From “The Plan” the consumer learns for the first time:

(a) that he/she will have to spend more money. According to “The Plan” the consumer must place ads, at his/her own expense, in magazines, in tabloids, or classified sections under “Business Opportunities and Money-Making Opportunities” making the same deceptive pitch about making thousands of dollars stuffing envelopes; these ads must request that the reader or interested party, send a S.A.S.E. to the consumer who placed the misleading ad, pursuant to Defendants’ instructions.

(b) that he/she will have to reproduce the Defendants’ circular (the one asking for the one time registration fee) at the consumer’s own personal expense, placing the consumer’s own “business name” and “business address” in the application section. If readers of the consumer’s ads, placed at consumer’s own expense, inquire about those ads and send a S.A.S.E. as the ad requests, then the Plan instructs the receiving consumers to stuff that envelope with the circular, *e.g.*, “Help Wanted! We Need Home Mail Processors Immediately!” (same language as web site solicitations, Collective Ex. 6) and send it back to the reader who responded to the consumer’s ad in the tabloid or classified section. If the reader then sends his/her “registration fee” for the “business package”, the consumer who received the registration fee is to stuff a large envelope with a copy of the Plan. “The Plan”, at page 2, states that if the consumer does not want to print the Plan, the consumer can keep a \$10.00 commission and send the remaining balance, the order and \$5.00 to the Defendant, who will “fill the order.”

(c) If the consumer does not want to do any selling, as required in the Plan described above, Plan B (page 3 of the Plan) states that the consumer can earn \$5.00 per envelope essentially by doing promotional work for Defendants (although the consumer must still pay for placing the ads). In this alternate program, the Defendants allegedly pay the consumer \$1.00 for each and every inquiry (S.A.S.E.), plus the consumer keeps the \$4.00 service fee charged to the inquiring consumer (*See* page 3 of the Plan).

40. Defendants' plan invites the consumer to get involved in the unlawful chain scheme, itself.

41. Defendants' initial advertisements falsely represent that the consumer will make thousands of dollars by stuffing envelopes at home. Their follow-up advertisements continue the spurious scheme.

42. The "Plan" is not what the consumers ordered.

43. The public has been injured and continues to be injured by Defendants' "**guaranteed**" thousands of dollars a week for stuffing envelopes scheme and "guaranteed" refunds, which are not made. The Defendants' "business opportunity" turns out to be built on nothing but misrepresentations and deception.

#### **DEFENDANTS' NO REFUND POLICY- BY DISAPPEARING**

44. After consumers have ordered the "business package" and sent money to Defendants, consumers rarely, if ever, can get in touch with anyone at Defendants' operations; the Defendants seem to disappear (Exhibits 3 and 4, and Collective Exhibit 3 to Motion for Temporary Injunction). Consumers' inquiring emails remain unopened; until 2004, phone calls

would go to Defendant Abernathy's Sprint voice mail. (Collective Exhibit 3 to Motion) (Affidavit of Heather Ramos of Sprint, Exhibit 3).

45. On one rare occasion when a consumer did contact someone speaking for the Defendants, the representative of the Defendants stated that there was a no refund policy. (Affidavit Mary Catlett, Exhibit 5 to the Motion for Temporary Injunction).

46. Moreover, consumers have lost money and continue to lose money to Mr. Abernathy's schemes, without recourse. Defendants' web site represents that if the consumer does not receive the business package the consumers' refund is guaranteed when such is not the case. See tab marked "guaranteed refund," p. 3 of 3, Freedom Marketing subset (Collective Exhibit 6).

47. Regrettably, Tennessee is home base for Payton Abernathy and his unlawful schemes.

48. Because of Defendants' unlawful, unfair and deceptive business practices, consumers have been and continue to be harmed. Consumers have sustained ascertainable losses.

49. The unfair and deceptive schemes, known by various names, promoted by Payton Abernathy, his agents, officers, Kevin Sparks and others not yet known, have caused and continue to cause, consumers ascertainable losses. (See Collective Exhibit 1 to Motion for Temporary Injunction and the Affidavits of consumer victims attached as Collective Exhibit 3 to the Motion for Temporary Injunction).

## VIOLATIONS OF LAW

50. Plaintiff hereby incorporates by reference and realleges each and every allegation contained in paragraphs 1 through 49, herein. Defendants' activities in offering for sale a business opportunity in this State constitute "trade" or "commerce" and the offering of or providing of "goods" as defined in Tenn. Code Ann. § 47-18-103(5) and (9).

51. Consumers who purchase or purchased the business opportunity are "consumers" as defined in Tenn. Code Ann. § 47-18-103(2) which defines "consumer", in pertinent part, as "any person who purchases or to whom is offered for sale . . . or any similar type of business opportunity."

52. All of the acts and practices engaged in and employed by Defendants as alleged herein are "unfair or deceptive acts or practices affecting the conduct of any trade or commerce" in Tennessee, which are declared unlawful by Tenn. Code Ann. § 47-18-104(a).

53. Each and every unlawful representation made by Defendants as recited herein constitutes a separate violation of the Tennessee Consumer Protection Act and each is punishable by a civil penalty of not more than One Thousand Dollars (\$1,000) as provided by Tenn. Code Ann. § 47-18-108(b).

54. Defendants' conduct violates the purposes of the Tennessee Consumer Protection Act stated at Tenn. Code Ann. § 47-18-102 which provides, in pertinent part:

The provisions of this part shall be liberally construed to promote the following practices:

(2) [T]o protect consumers and legitimate business enterprises from those who engage in unfair or deceptive acts or practices in the conduct of any trade or commerce in part or wholly within this state; . . .

(4) To declare and to provide for civil legal means for maintaining ethical standards of dealing between persons engaged in business and the consumer public to the end that good faith dealings between buyers and sellers at all levels of commerce be had in this state. . . .

55. Further, Defendants have violated and continue to violate the Tennessee

Consumer Protection Act by engaging in the following acts and practices:

- a. Causing likelihood of confusion or of misunderstanding as to the source, sponsorship, approval or certification of goods or services, in violation of Tenn. Code Ann. § 47-18-104(b)(2);
- b. Causing likelihood of confusion or misunderstanding as to affiliation, connection or association with, or certification by, another, in violation of Tenn. Code Ann. § 47-18-104(3);
- c. Using deceptive representations or designations of geographic origin in connection with goods or services, in violation of Tenn. Code Ann. § 47-18-104(b)(4);
- d. Representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits or quantities that they do not have or that a person has a sponsorship approval, status, affiliation or connection that such person does not have, in violation of Tenn. Code Ann. § 47-18-104 (b)(5);
- e. Advertising goods or services with intent not to sell them as advertised, in violation of Tenn. Code Ann. § 47-18-104 (b)(9);
- f. Representing that a consumer transaction confers or involves rights, remedies or obligations that it does not have or involve or which are prohibited by law, in violation of Tenn. Code Ann. § 47-18-104 (b)(12);
- g. Using or employing a chain referral sales plan in connection with the sale or offer to sell of goods, merchandise, or anything of value, which uses the sales technique, plan, arrangement or agreement in which the buyer or prospective buyer is offered the opportunity to purchase goods or services, and in connection with the purchase, receives the seller's promise or representation that the buyer shall have the right to receive compensation or consideration in any form for furnishing to the seller the names of other prospective buyers if the receipt of compensation or consideration is contingent upon the occurrence of an event subsequent to the time the buyer purchases the merchandise or goods, in violation of Tenn. Code Ann. § 47-18-104(b)(18);



h. Representing that a guarantee or warranty confers or involves rights or remedies which it does not have or involve; provided, that nothing in this subdivision shall be construed to alter the implied warranty of merchantability as defined in § 47-2-314, in violation of Tenn. Code Ann. § 47-18-104 (b)(19);

i. Engaging in any other act or practice which is deceptive to the consumer or any other person, in violation of Tenn. Code Ann. § 47-18-104 (b)(27).

56. Because of Defendants' various violations of the Act as alleged herein, consumers, the exact number of whom is presently unknown to the State, have suffered and continue to suffer ascertainable losses.

### **DEMAND FOR RELIEF**

WHEREFORE, Plaintiff, State of Tennessee, through its Attorney General & Reporter, Robert E. Cooper, Jr., pursuant to the Tennessee Consumer Protection Act, the Attorney General's general statutory authority, the Attorney General's common law authority and this Court's equitable powers, prays:

1. That this Complaint be filed without cost bond as provided by Tenn. Code Ann. §§20-13-101, 47-18-108, and 47-18-116.

2. That process issue and be served upon Defendants, requiring them to appear and answer this Complaint;

3. That this Court adjudge and decree that the Defendants have engaged in the aforementioned acts or practices which violate the Tennessee Consumer Protection Act of 1977;

4. That this Court permanently enjoin Defendants from engaging in the aforementioned acts or practices which violate the Tennessee Consumer Protection Act of 1977 and that such orders and injunctions be issued without bond pursuant to Tenn. Code Ann. § 47-18-108(4);

5. That this Court make such orders or render such judgments as may be necessary to restore to any consumer or other person any ascertainable losses, including statutory interest suffered by reason of the alleged violations of the Tennessee Consumer Protection Act of 1977, and require that Defendants be taxed with the cost of distributing and administering the same pursuant to Tenn. Code Ann. § 47-18-108(b)(1).

6. That this Court make such orders or render such judgments as may be necessary to disgorge the profits and ill-gotten gains Defendants realized by reason of the alleged violations of the Tennessee Consumer Protection Act of 1977;

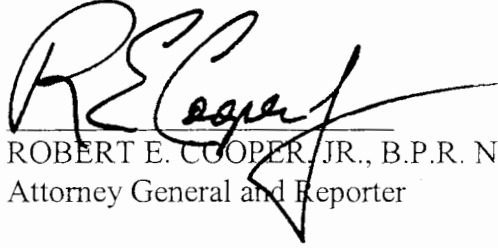
7. That this Court enter judgment against Defendants and in favor of the State for the reasonable costs and expenses of the investigation and prosecution of the Defendants' actions, including attorneys' fees, expert and other witness fees, as provided by Tenn. Code Ann. § 47-18-108(a)(5) and (b)(4);

8. That this Court adjudge and decree that Defendants pay civil penalties of not more than one thousand dollars (\$1,000.00) per violation to the State as provided by Tenn. Code Ann. § 47-18-108(b)(3);

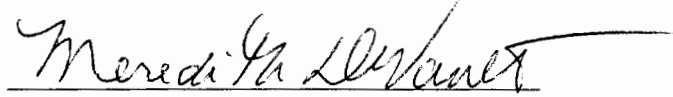
9. That all costs in this case be taxed against Defendants; and

10. That this Court grant Plaintiff such other and further relief as this Court deems just and proper.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "RE Cooper", written over a horizontal line.

ROBERT E. COOPER, JR., B.P.R. No. 10934  
Attorney General and Reporter

A handwritten signature in black ink, appearing to read "Meredith Devault", written over a horizontal line.

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